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April 19, 2006

CERTIFICATE OF SERVICE

RE: Case No. 2006-00124
Delta Natural Gas Company, Inc.

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on April 19, 2006.

Executive Director

BOD/sh
Enclosure

Connie King
Director - Rates & Treasury
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF DELTA)
NATURAL GAS COMPANY, INC.) CASE NO. 2006-00124

ORDER

On November 10, 2004, in Case No. 2004-00067,¹ the Commission approved rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment in accordance with Delta's gas cost adjustment ("GCA") clause.

On March 22, 2006, Delta filed its proposed GCA to be effective April 24, 2006.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Delta's expected gas cost ("EGC") is \$9.3807 per Mcf, which is \$2.5371 per Mcf less than the previous EGC of \$11.9178.
3. Delta's notice sets out a current quarter refund adjustment ("RA") of (.03) cent per Mcf. Delta's notice sets out a total RA of (.03) cent per Mcf, which represents a decrease of .02 cent per Mcf from the previous total RA.

¹ Case No. 2004-00067, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates.

4. Delta's notice sets out a current quarter actual adjustment ("AA") of \$2.0185 per Mcf. Delta's total AA is \$2.8826 per Mcf, which is an increase of 27.56 cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of (38.68) cents per Mcf, which represents a decrease of 66.61 cents per Mcf from the previous BA.

6. Delta's GCA is \$11.8762 per Mcf, which is \$2.9278 per Mcf less than the previous GCA of \$14.8040.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Delta on and after April 24, 2006.

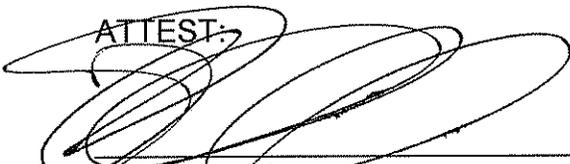
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after April 24, 2006.

2. Within 20 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 19th day of April, 2006.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00124 DATED April 19, 2006.

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 9.80				
All Mcf	\$4.1592		\$11.8762		\$ 16.0354
Small Non-Residential					
Monthly Service Charge	\$ 20.00				
All Mcf	3.7950		11.8762		\$ 15.6712
Large Non-Residential					
Monthly Service Charge	\$ 72.00				
First 200 Mcf	\$ 3.7950		\$11.8762		\$15.6712
Next 800 Mcf	2.1461		11.8762		14.0223
Next 4,000 Mcf	1.3500		11.8762		13.2262
Next 5,000 Mcf	.9500		11.8762		12.8262
Over 10,000 Mcf	.7500		11.8762		12.6262

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$ 11.8762	\$ 13.4762
Next 4,000 Mcf	\$ 1.2000	11.8762	13.0762
Next 5,000 Mcf	.8000	11.8762	12.6762
Over 10,000 Mcf	.6000	11.8762	12.4762